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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE JOINT
APPLICATION OF SUEZ WATER IDAHO
AND EAGLE WATER COMPANY FOR
THE ACQUISITION OF EAGLE WATER
COMPANY

Case No. SUZ-W-18-02
EAG-W-18-01

**SUPPLEMENTAL DIRECT TESTIMONY OF CATHY COOPER
ON BEHALF OF SUEZ WATER IDAHO INC.**

June 8, 2021

1 **Q. Please state your name and title.**

2 A. My name is Cathy Cooper, P.E. I am the Director of Engineering for SUEZ
3 Water Idaho Inc.

4 **Q. Are you the same Cathy Cooper who filed direct testimony consisting of**
5 **twelve pages in this proceeding on November 15, 2018?**

6 A. Yes, I am.

7 **Q. What is the purpose of your supplemental testimony?**

8 A. My supplemental testimony updates the table included on page 11 of my original
9 November 2018 testimony that details the substantial tangible benefits to Eagle
10 Water Customers of the proposed asset sale. The improvements have been
11 allocated over five years instead of three to match the proposed rate increase
12 timeframe. The planned capital improvements that will directly benefit Eagle
13 Water customers have been used in the revised Eagle Water rate calculations
14 presented in Ms. Cary's testimony.

15 Even though the improvements have been spread over five years, the immediate
16 improvements needed to bring the Eagle Water system into compliance with
17 regulatory requirements are scheduled to occur in the first three years.

18 **Q. Has the benefit to existing SUEZ customers of acquiring the Eagle Water**
19 **assets changed during the interim since SUEZ first filed this case in 2018?**

20 A. The overall benefits that I described in my original testimony have not changed.
21 An acquisition of the Eagle Water assets would provide additional source of
22 supply at an estimated capital cost avoidance of approximately \$11.2M for SUEZ
23 customers. As detailed in my original testimony from November 2018, without

1 the acquisition of Eagle Water assets, SUEZ plans to invest approximately
2 \$41.8M to develop and transmit approximately 12.5 million gallons per day of
3 additional and redundant source of supply. With the acquisition of Eagle Water
4 assets, SUEZ would need to invest only \$30.6M (including the revised \$10.5M
5 Eagle Water purchase price) to develop the same amount of supply. For the sake
6 of simplicity and comparability to the original 2018 filing, cost estimates remain
7 unchanged. We expect the difference between the two options, if costs were
8 updated, would be the same or more.

9 **Q. Describe the benefit to existing Eagle Water Company customers of SUEZ**
10 **acquiring Eagle Water assets.**

11 A. SUEZ believes there will be substantial tangible benefits to Eagle Water
12 customers from this acquisition. The benefits of projects such as the addition of
13 SCADA controls, targeted pipeline upgrades, change out to AMI meters,
14 interconnection with the SUEZ system for access to fire storage volumes and
15 peaking flows, and other beneficial projects are detailed in the following table
16 with estimated costs.

17 The planned capital improvements that will directly benefit Eagle Water
18 customers have been used in the Eagle Water rate calculations presented in Ms.
19 Cary's testimony. In addition, there are other benefits for Eagle Water customers
20 outside of capital improvements that are discussed in Mr. Thompson's testimony.

PLANNED CAPITAL IMPROVEMENTS THAT WILL BENEFIT EAGLE WATER CUSTOMERS - 4/2021 UPDATE

Project Title	Costs (in 000's)					Benefit Summary
	Year 1	Year 2	Year 3	Year 4	Year 5	
Add chlorination at Wells 2, 4, 6, 7, 8	\$ 56					Chlorine residual in distribution system, protection against contamination risk. \$10k plus OH per site.
SCADA at each Facility (Wells 2, 4, 6, 7, 8, 2 boosters), control room and associated hardware and software	\$ 532					SCADA controls at each facility will allow for 24-hour monitoring of system operations. Includes \$250 for a control room, database, historian, radio path survey, etc if Eagle Water constructed the improvement (no OH on this portion). \$35k per site, \$5k contingency, plus OH.
Meter and Service Replacements (2,000 @ \$1500 each)	677	677	677	677	677	Half of EWC meters - fix problematic meter locations, move into right-of-way, lessen depth for safety and access. Install AMI meters. The benefits of AMI meters include continuous reporting, with customers able to see water usage through the Suez website, leak detection, and backflow detection.
Meter Replacement with AMI (2000 @ \$388)	191	175	175	175	175	Half of EWC meters - Install AMI meters in existing meter boxes. The benefits of AMI meters include continuous reporting, with customers able to see water usage through the Suez website, leak detection, and backflow detection. Includes \$16k for two repeaters if Eagle Water constructed the improvements, no OH on this portion.
Water Right Transfers to add APODS to Eagle Water and SUEZ Rights	\$ 56					These transfers would allow the two delivery systems to be integrated in the future, enhancing the reliability and flexibility of both. In addition, shared Eagle rights and SUEZ rights would fill the current shortfall in Eagle Water rights to meet peak demands. These transfers would eliminate the need for Eagle Water to appropriate new water rights to fill its current shortfall.
Map Eagle Water System into GIS and create Hydraulic Model	\$ 27					Provides the benefit of crews being able to rapidly locate buried infrastructure. Inclusion in the model will allow for system optimization and targeted pipeline replacement planning. This will also include the Eagle Water facilities into Aquadvanced Energy, an energy-saving system operations platform.
PRV at Well 8		\$ 528				PRV and portion of piping will interconnect the Eagle Water system with the Suez system. Will provide access to fire storage and peaking volume in Hidden Hollow Tank for Eagle Water customers. Benefit of supply and storage from Suez system.
PRV at Well 6				\$ 341		PRV and portion of piping will interconnect the Eagle Water system with the Suez system. Will provide access to fire storage and peaking storage in Hidden Hollow Tank for Eagle Water customers. Benefit of supply and storage from Suez system.
Redwood Creek Pipeline		\$ 2,452				The Redwood Creek pipeline will be the interconnection between the Eagle Water system and the Suez system. This pipeline will provide Eagle Water customers the benefit of being able to access source and storage from the Suez system. The benefit is calculated on making up the redundancy shortfall in fireflow for Eagle Water (1375 gpm). This would also cover the shortage in peak hour redundancy (1175 gpm) and the emergency standby shortage (429 gpm). It won't be available to EWC customers until the PRV at Well 8 is in place, which is why it has been included in Year 2. Cost calculated as a portion of the total pipeline cost, 1375 gpm / 7750 gpm (ultimate pipeline capacity with 1000 gpm being used locally in Floating Feather and Eagle Water area).
2 MG Tank				\$ 2,006	\$ 2,006	Will allow the the Eagle Water wells to pump supply into a storage tank and provide gravity storage to the area.
Pipeline Replacements (1% per year)	\$ 305	\$ 305	\$ 305	\$ 305	\$ 305	0.6 miles of pipeline replacement per year. First years will target undersized lines or lines at higher risk of breakage.
Safety and Security Improvements	\$ 28	\$ 28	\$ 28	\$ 28	\$ 28	Arcflash analysis and improvements, eyewash stations, fall protection at facility sites.
Production Roll-Up Work	\$ 113	\$ 141	\$ 141	\$ 141	\$ 141	Pump replacements, HVAC, production meter replacements, pumping facility upgrades, landscaping, sampling stations, generator replacements, add water level monitoring in wells, etc
Totals	\$1,986	\$4,306	\$1,327	\$3,674	\$3,333	\$14,626

The improvements in this table have overheads added except for portions of improvements that would be completed if Eagle Water were making the improvements. For example, with respect to needed SCADA control for the Eagle Water system, SUEZ already has a control room, servers, database, and historian computers to support the addition of SCADA at the Eagle Water facilities. Eagle Water does not have a control room or associated amenities and would have to purchase them to implement functional SCADA control if Eagle Water were constructing the improvement itself. The Eagle Water portion of the costs does not have any overheads included.

1 **Q. What updates have been made to the Planned Capital Improvements table**
2 **since 2018?**

3 A. The improvements are spread over five years instead of three years. The
4 Redwood Creek Pipeline costs were updated to the actual costs since that project
5 was completed in May 2020. Projects such as pipeline replacements, safety and
6 security improvements, and Production roll-up work were included at the same
7 amount for each of five years (instead of each of three years). For the sake of
8 simplicity and comparability to the original 2018 filing, cost estimates, other than
9 the Redwood Creek pipeline costs where actuals were available, remain
10 unchanged.

11 **Q. How will the proposed improvements bring the Eagle Water Company**
12 **system into regulatory compliance?**

13 A. The PRV (Pressure Regulating Valve) connection at Well 8 proposed in Year 2
14 will allow water from the SUEZ system to enter the Eagle Water system. Fire
15 flow storage currently available in the SUEZ Hidden Hollow Tank will then be
16 available in the Eagle Water system. In addition, peaking and stand-by flows (for
17 power outages) would be similarly available. This is an interim fix while the
18 proposed new storage tank to directly serve the Eagle Water area is in planning,
19 design, and under construction. These “interim” investments to bring the Eagle
20 Water system into compliance will provide system redundancy after the proposed
21 2MG storage tank is in place.

22 **Q. Do you believe the acquisition of Eagle Water by SUEZ is still in the public**
23 **interest?**

1 A. Yes. SUEZ still has the available capital resources to make needed improvements
2 to the Eagle Water system. The Company will complete improvements that will
3 bring the Eagle Water system into compliance with IDEQ and IDWR
4 requirements. Eagle Water customers will benefit from sharing sources of supply
5 and storage with SUEZ customers in addition to the enhanced monitoring and
6 response that come from a water system having amenities such as a SCADA
7 system and AMI meters. At the same time, SUEZ customers will avoid
8 substantial capital costs and still obtain the sources of supply that are needed.

9 Q. **Does this conclude your testimony?**

10 A. Yes.